GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:3237
ANSWERED ON:18.12.2015
States Autonomy on Expenditure of Funds
Reddy Shri Y. S. Avinash

Will the Minister of PLANNING be pleased to state:

(a) whether, there is much ambiguity on the expenditure of funds being made on the implementation of Centrally sponsored schemes and if so , the details thereof;

(b) whether the State Governments have requested for their autonomy on the expenditure of funds released by the Union Government for the implementation of the Centrally sponsored schemes and if so, the details thereof; and

(c) the response of the Union Government to this proposal?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING AND MINISTER OF STATE FOR DEFENCE (RAO INDERJIT SINGH)

(a) to (c): No Madam, there is no ambiguity on the expenditure of funds being made on the implementation of Centrally sponsored schemes. 14th Finance Commission has recommended an increase of 10% in State's share of net proceeds of Union taxes and duties. This increase from 32% to 42% underpins the laudable objective of giving the States' more financial autonomy. So, the increased devolution would undoubtedly increase the quantum of untied funds available to the States which could be utilized by the States for various schemes / programmes. The combined central transfers to the State from devolution of taxes and CSS in 2015-16 is about 29.6% more over 2014-15 revised estimate. The detailed break-up is as follows:
Rs. crore

Items	2014-15 Revised Estimate	2015-16 Budget Estimate
Share in Central Taxes/devolution	3,37,808.45	5,23,958.24
Provision under CSSs	1,97,111.41	1,69,510.01
Total	5,34,919.86	6,93,468.25

14th Finance Commission has consulted the States extensively on various issues of the States including their finances before giving its recommendations.